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www.calpers.ca.gov

Date: August 4, 2006
Reference No.:
Circular Letter No.: 310-061-06
Distribution: I, IIA, IV, V, VI, X, XII

Special:

Circular Letter

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS AND
OTHER INTERESTED PARTIES

SUBJECT: AMENDED MEETING NOTICE OF THE CALPERS BOARD OF
ADMINISTRATION AND ITS COMMITTEES

Circular Letter No. 310-060-06, dated August 2, 2006, is amended as follows:

Investment Committee

The August 2, 2006 Investment Committee meeting closed session agenda is amended to add an additional item as shown in bold below:

6d. Investment in Corporate Governance Fund

The amended agenda is attached.

All other information contained in Circular Letter No. 310-060-06, dated August 2, 2006, remains the same. The meeting information is also available on the CalPERS website at www.calpers.ca.gov.

FRED BUENROSTRO
Chief Executive Officer

Attachment

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

August 14, 2006

8:30 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Charles Valdes, Chair
George Diehr, Vice Chair
Philip Angelides
Marjorie Berte
Robert F. Carlson
Rob Feckner
David Gilb
Priya Mathur
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom
Steve Westly

- | | |
|-----------------------|--|
| CLOSED SESSION | 8:30 a.m.
Chief Investment Officer's Briefing on Market and Personnel Issues
(Government Code sections 11126(a)(1) and (c)(16)) |
| OPEN SESSION | 9:00 a.m. |
| CLOSED SESSION | 11:00 a.m. or Upon Adjournment or Recess of Open Session,
whichever is later
Total Fund Consultant Briefing, Wilshire Associates, Inc.
(Government Code section 11126(c)(16)) |
| CLOSED SESSION | Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16) and 11126(e)(2)) |

AGENDA

OPEN SESSION

- | | | |
|-------------|-----|--|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the June 19, 2006 Open Session Minutes |
| Information | 3. | Cost Effectiveness Measurement (CEM) Report |
| | 4. | Real Estate |
| Action | | a. Selection of International REIT Managers |
| Information | | b. R Street Subcommittee Report |
| Information | 5. | Alternative Investment Management (AIM) Program |
| | 6. | Global Fixed Income |
| Action | | a. Selection of International Fixed Income Managers |
| | 7. | Global Equity |
| Action | | a. Selection of U.S. Equity Growth Managers |
| Information | | b. Corporate Governance Co-Investment Strategy |
| Information | | c. Corporate Governance Internal Staff Working Group Update |
| | | 1) Stock Option Backdating Update |
| | | 2) SEC Executive Compensation Disclosure Rule |
| Action | | d. Internal Management of International Indexation Assets |
| Consent | 8. | Policy Subcommittee Report |
| | | a. Fixed Income Policy – Revision of Credit Enhancement Program |
| | | b. Miscellaneous Policy – Revision of Directed Brokerage Arrangement |
| | 9. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Consent | | a. Consolidated Investment Activity Report |
| Information | | b. Assistant Executive Officer's Status Report |
| Information | | c. Wilshire Study on CalPERS Corporate Governance Program |
| | 10. | Draft September Agendas |
| Information | | a. Investment Committee, September 11, 2006 |
| Information | | b. Natural Resources/Commodities Workshop, September 12, 2006 |
| | 11. | Public Comment |

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

AMENDED AGENDA

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16))
(Government Code section 11126(e)(2) [Item 3b only])

- | | | |
|-------------|----|---|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the June 19, 2006 Closed Session Minutes |
| Information | 3. | Real Estate |
| | | a. R Street Subcommittee Report |
| | | b. Actual and Potential Litigation and Settlement – Headquarters Building |
| | | 1) CalPERS v. City of Sacramento, et al (Sacramento Superior Court No. 05AS04154) |
| | | 2) Other Potential Litigation and Settlement Matters |
| Information | 4. | Alternative Investment Management (AIM) Program |
| | | a. W. L. Ross & Co. Update |
| Information | 5. | Global Fixed Income |
| | | a. External Manager Update |
| Information | 6. | Global Equity |
| Information | | a. Risk Managed Absolute Return Strategy Program Review |
| Action | | b. External Manager Update |
| Information | | c. Addition to 2006 Monitoring List |
| | | d. <u>Investment in Corporate Governance Fund</u> |
| Information | 7. | Chief Investment Officer's/Assistant Executive Officer's Report |
| | | a. Status of Action Items Not Yet Reported |
| Consent | 8. | Activity Reports |
| | | a. Alternative Investment Management Program |
| | | b. Risk Managed Absolute Return Strategies Program |
| | | c. Public Markets |



Circular Letter

Date: August 2, 2006

California Public Employees' Retirement System
P.O. Box 942701
Sacramento, CA 94229-2701
(916) 795-3829
Telecommunications Device for the Deaf
No Voice (916) 795-3240

Reference No.:

Circular Letter No.: 310-060-06

Distribution: I, IIA, IV, V, VI, X, XII

Special:

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS
AND OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION,
ITS COMMITTEES AND ADVISORY PANELS

The CalPERS Board of Administration, its Committees and Advisory Panels are scheduled to meet on the following days in August. All meetings will be held in public session unless otherwise noted.

Investment Committee

Date and Time: Monday, August 14, 2006, 8:30 a.m.

Location: Room 1150, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Committee will meet in closed session to discuss personnel and investment matters pursuant to Government Code sections 11126(a)(1) and (c)(16).

Investment Committee

Date and Time: Monday, August 14, 2006, 9:00 a.m. or upon adjournment or recessing of the preceding Investment Committee closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recessing of the open session to consider investment matters pursuant to Government Code section 11126(c)(16) and litigation matters pursuant to Government Code section 11126(e)(2).

Investment Committee

Date and Time: Monday, August 14, 2006, 11:00 a.m. or upon adjournment or recessing of the preceding Investment Committee open session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recessing of the open session to discuss Total Fund Consultant Briefing, Wilshire Associates, Inc., pursuant to Government Code section 11126(c)(16).

Benefits and Program Administration Committee

Date and Time: Tuesday, August 15, 2006, 9:00 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Health Benefits Committee

Date and Time: Tuesday, August 15, 2006, 9:30 a.m. or upon adjournment or recessing of the Benefits and Program Administration Committee meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Performance and Compensation Committee

Date and Time: Tuesday, August 15, 2006, 1:00 p.m. or upon adjournment or recessing of the Health Benefits Committee meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recessing of the open session to discuss personnel matters pursuant to Government Code section 11126(a) and 11126(g)(1).

Board of Administration

Date and Time: Wednesday, August 16, 2006, 8:00 a.m.

Location: Room 1150, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board will meet in closed session to discuss personnel matters pursuant to Government Code sections 11126(a)(1) and (g)(1).

Board of Administration

Date and Time: Wednesday, August 16, 2006, 9:00 a.m. or upon adjournment or recessing of the closed session of the Board of Administration, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recessing of the open session to consider the Performance and Compensation Committee closed session report pursuant to Government Code sections 11126(a)(1) and (g)(1).

Board of Administration

Date and Time: Wednesday, August 16, 2006, 10:00 a.m. or upon adjournment of the Board of Administration meeting, whichever is later

Location: Room 1140, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Board members will attend a Fiduciary Workshop.

Items scheduled for the public sessions of the meetings are listed on the attached agendas. This information is also available on the CalPERS website at www.calpers.ca.gov. Questions pertaining to the meetings in August may be directed to Lanette Hunt at 916/795-3829.

The Board would be pleased to have you or representatives of your agency at the public sessions. The facilities are accessible to persons with disabilities. Requests for sign language or captioning services require a minimum of 72 hours notice. To request service, please call 916/795-3065 (voice or TTY).

FRED BUENROSTRO
Chief Executive Officer

Attachments

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

August 14, 2006

8:30 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Charles Valdes, Chair
George Diehr, Vice Chair
Philip Angelides
Marjorie Berte
Robert F. Carlson
Rob Feckner
David Gilb
Priya Mathur
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom
Steve Westly

CLOSED SESSION	8:30 a.m. Chief Investment Officer's Briefing on Market and Personnel Issues (Government Code sections 11126(a)(1) and (c)(16))
OPEN SESSION	9:00 a.m.
CLOSED SESSION	11:00 a.m. or Upon Adjournment or Recess of Open Session, whichever is later Total Fund Consultant Briefing, Wilshire Associates, Inc. (Government Code section 11126(c)(16))
CLOSED SESSION	Upon Adjournment or Recess of Open Session (Government Code section 11126(c)(16) and 11126(e)(2))

AGENDA

OPEN SESSION

- | | | |
|-------------|-----|--|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the June 19, 2006 Open Session Minutes |
| Information | 3. | Cost Effectiveness Measurement (CEM) Report |
| | 4. | Real Estate |
| Action | | a. Selection of International REIT Managers |
| Information | | b. R Street Subcommittee Report |
| Information | 5. | Alternative Investment Management (AIM) Program |
| | 6. | Global Fixed Income |
| Action | | a. Selection of International Fixed Income Managers |
| | 7. | Global Equity |
| Action | | b. Selection of U.S. Equity Growth Managers |
| Information | | b. Corporate Governance Co-Investment Strategy |
| Information | | b. Corporate Governance Internal Staff Working Group Update |
| | | 1) Stock Option Backdating Update |
| | | 2) SEC Executive Compensation Disclosure Rule |
| Action | | d. Internal Management of International Indexation Assets |
| Consent | 8. | Policy Subcommittee Report |
| | | a. Fixed Income Policy – Revision of Credit Enhancement Program |
| | | b. Miscellaneous Policy – Revision of Directed Brokerage Arrangement |
| | 9. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Consent | | a. Consolidated Investment Activity Report |
| Information | | b. Assistant Executive Officer's Status Report |
| Information | | c. Wilshire Study on CalPERS Corporate Governance Program |
| | 10. | Draft September Agendas |
| Information | | a. Investment Committee, September 11, 2006 |
| Information | | b. Natural Resources/Commodities Workshop, September 12, 2006 |
| | 11. | Public Comment |

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

AGENDA

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16))
(Government Code section 11126(e)(2) [Item 3b only])

- | | | |
|--------------------------------------|----|---|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the June 19, 2006 Closed Session Minutes |
| Information | 3. | Real Estate <ul style="list-style-type: none">a. R Street Subcommittee Reportb. Actual and Potential Litigation and Settlement – Headquarters Building<ul style="list-style-type: none">1) CalPERS v. City of Sacramento, et al (Sacramento Superior Court No. 05AS04154)2) Other Potential Litigation and Settlement Matters |
| Information | 4. | Alternative Investment Management (AIM) Program <ul style="list-style-type: none">a. W. L. Ross & Co. Update |
| Information | 5. | Global Fixed Income <ul style="list-style-type: none">a. External Manager Update |
| Information
Information
Action | 6. | Global Equity <ul style="list-style-type: none">a. Risk Managed Absolute Return Strategy Program Reviewb. External Manager Updatec. Addition to 2006 Monitoring List |
| Information | 7. | Chief Investment Officer's/Assistant Executive Officer's Report <ul style="list-style-type: none">a. Status of Action Items Not Yet Reported |
| Consent | 8. | Activity Reports <ul style="list-style-type: none">a. Alternative Investment Management Programb. Risk Managed Absolute Return Strategies Programc. Public Markets |

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE

August 15, 2006

9:00 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Kurato Shimada, Chair
Rob Feckner, Vice Chair
Robert F. Carlson
George Diehr
David Gilb
Priya Mathur
Tony Oliveira
Maeley L. Tom
Steve Westly

AGENDA

- | | | |
|---------------------------|----|---|
| | 1. | Call to Order and Roll Call |
| | 2. | Approval of the June 20, 2006 Benefits and Program Administration Committee Meeting Minutes |
| Action/Lisa Hammond | 3. | Legislation |
| | | A. AB 2863 (Karnette) – Retirement: Eligibility of Previous Service |
| Information/Darryl Watson | 4. | CalPERS 2006 Retirement Planning and Resources Fairs Report |
| Information/Kathie Vaughn | 5. | Member and Benefit Services Branch Effectiveness Measures 4 th Quarter |
| Information/Pat Macht | 6. | 2006 Member / Retiree Survey Results |
| Information/Ron Seeling | 7. | Chief Actuary Report |

- | | | |
|---------------------------|-----|---|
| Information/Kathie Vaughn | 8. | Assistant Executive Officer Report |
| Information/Kathie Vaughn | 9. | Draft Agenda for September 12, 2006 Benefits and Program Administration Committee Meeting |
| | 10. | Public Comment |

NOTE: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item acted upon at this committee meeting may be brought to the full Board at its next regularly scheduled meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

HEALTH BENEFITS COMMITTEE

August 15, 2006

9:30 a.m.

**or Upon Adjournment or Recess of the
Benefits and Program Administration Committee
Meeting, Whichever is Later**

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, California

COMMITTEE MEMBERS

George Diehr, Chair
Priya Mathur, Vice Chair
Philip Angelides
Marjorie Berte
Rob Feckner
David Gilb
Tony Oliveira
Charles Valdes
Steve Westly

AGENDA

- | | |
|-----------------------------|--|
| | 1. Call to Order and Roll Call |
| | 2. Approval of June 20, 2006, Health Benefits Committee Meeting Minutes |
| Information/Terri Westbrook | 3. Blue Shield of California Regional Council Overview |
| Action/Richard Krolak | 4. Approval of Corrected 2007 CCPOA Benefit Trust Supplement to Medicare Plan Prescription Drug Benefit |
| Information/Richard Krolak | 5. 2006 First Quarter Self-Funded Plans Financial Report |
| Action/Richard Krolak | 6. Self-Funded Health Plans Third Party Medical Administrator Request for Proposal: Approval of Business Model and Process |

- | | | |
|-----------------------------|-----|--|
| Information/Richard Krolak | 7. | Second Reading: Long-Term Care Program 2005 and Earlier Rates – Proposed Mitigation Strategies |
| Information/Terri Westbrook | 8. | Assistant Executive Officer Report |
| Information/Terri Westbrook | 9. | Proposed Agenda for September 12, 2006 Health Benefits Committee Meeting |
| Information | 10. | Public Comments |

NOTE: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item acted upon at this committee meeting may be brought to the full Board at its next regularly scheduled meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

PERFORMANCE AND COMPENSATION COMMITTEE

August 15, 2006

1:00 p.m.

**or Upon Adjournment or Recess of the
Health Benefits Committee Meeting, Whichever is Later**

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Priya Mathur, Chair
Tony Oliveira, Vice Chair
Philip Angelides
Robert F. Carlson
David Gilb
Kurato Shimada
Charles Valdes

AGENDA

OPEN SESSION

- | | |
|----------------------------|---|
| | 1. Call to Order and Roll Call |
| | 2. Approval of the June 16, 2006 Performance and Compensation Committee Meeting Minutes |
| Action/Chris O'Brien | 3. 2006-2007 Performance Plans for the Chief Executive Officer and Chief Actuary (First Reading) |
| Action/Chris O'Brien | 4. 2006-2007 Performance Plans for the Chief Investment Officer and Senior Investment Officers (Second Reading) |
| Action/Chris O'Brien | 5. 2006-2007 Performance Plans for the Senior Portfolio Managers and Portfolio Managers (Second Reading) |
| Information/ Chris O'Brien | 6. Human Resources Division Report |

Information/ Chris O'Brien

7. Proposed September 8, 2006 Agenda
8. Public Comment

CLOSED SESSION

Upon Adjournment or Recess of Open Session
(Gov. Code Section 11126(a) and 11126(g)(1))

9. Approval of October 14, 2005 Performance and Compensation Committee Closed Session Minutes

Information/Chris O'Brien

10. Chief Executive Officer's Report on 2005-2006 Performance Awards and Base Salary Adjustments for Senior Portfolio Managers and Portfolio Managers

Action/Chris O'Brien

11. Review of Executives' 2005-2006 Performance: Chief Actuary, Chief Investment Officer and Senior Investment Officers over Global Equities, Fixed Income, Alternative Investments, Asset Allocation/Risk Management and Real Estate

NOTE: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item acted upon at this committee meeting may be brought to the full Board at its next regularly scheduled meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

August 16, 2006

9 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

MEMBERS

Rob Feckner, Chair
Robert F. Carlson, Vice Chair
Philip Angelides
Marjorie Berte
George Diehr
David Gilb
Priya Mathur
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom
Steve Westly
Charles Valdes

AGENDA

CLOSED SESSION CHIEF EXECUTIVE OFFICER'S BRIEFING ON PERFORMANCE
8:00 A.M. AND PERSONNEL ISSUES
(Gov. Code secs.
11126(a)(1) and
(g)(1))

OPEN SESSION
**9:00 A.M. OR UPON ADJOURNMENT OF CLOSED SESSION, WHICHEVER IS
LATER**

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Announcement of Closed Session: The Board Will Meet in Closed Session to Consider the Performance and Compensation Committee Closed Session Report (Gov. Code secs. 11126(a)(1) and (g)(1))
4. Approval of the June 21, 2006 Meeting Minutes

INVESTMENTS

- Mr. Read 5. Chief Investment Officer's Report

Committee Reports (Any Agenda Item from a Properly Noticed Committee Meeting Held Prior to this Meeting May be Reported on or Presented to the Board for its Consideration).

- Mr. Valdes 6. Investment Committee (Oral)

- Mr. Shimada 7. Benefits and Program Administration Committee (Oral)

- Mr. Diehr 8. Health Benefits Committee (Oral)

- Mr. Carlson 9. Finance Committee (Oral)

- Ms. Mathur 10. Performance and Compensation Committee (Oral)

- Mr. Feckner 11. Ad Hoc Board Governance Committee (Oral)

General

- Mr. Buenrostro 12. Board Meeting Calendar

- Mr. Buenrostro 13. Chief Executive Officer's Report (Oral)

Governmental Affairs

- Ms. Hammond 14. Board's State Legislative Program/Board's Position on State Legislation

- Ms. Hammond 15. Board's Federal Legislative Program/Board's Position on Federal Legislation

Legal

- Mr. Mixon 16. Proposed Decisions of Administrative Law Judges
 A. Clarence Samuelson
 B. Delbert Babb
 C. Virginia Bernal
 D. Ron A. Redmond
 E. Carol M. Rivera

- Mr. Mixon 17. General Counsel's Report
 A. Monthly New Case Reports
 B. Assignment Matrix

Other

- | | | |
|----------------|-----|---|
| Mr. Feckner | 18. | Board Travel Approvals |
| Mr. Buenrostro | 19. | Draft Agenda for September 13, 2006 Meeting |
| | 20. | New Business Agenda Setting |
| | 21. | Public Comment |

CLOSED SESSION The Board Will Meet in Closed Session to Consider the Performance
(Gov. Code secs. 11126(a)(1) and (g)(1)) and Compensation Committee Closed Session Report

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Committee meeting held immediately prior to this Board meeting may be considered by the Board.



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Sacramento, CA 94229-2701
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www.calpers.ca.gov

Date: August 1, 2006
Reference No.:
Circular Letter No.: 310-059-06
Distribution: I, IIA, IV, V, VI, X, XII

Special:

Circular Letter

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS AND
OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION'S
COMMITTEES

R Street Subcommittee

Date and Time: Friday, August 11, 2006, 9:30 a.m.

Location: Room 1140, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held pursuant to Government Code section 11126(c)(16) and (e)(2) to discuss litigation (*California Public Employees' Retirement System v. The City of Sacramento, the County of Sacramento, et al.*, Sacramento County Superior Court No. 05AS04154) and potential litigation and settlement matters (Headquarters Building)

Policy Subcommittee of the Investment Committee

Date and Time: Friday, August 11, 2006, 10:00 a.m. or upon adjournment or recess of the R Street Subcommittee, whichever is later

Location: Room 1140, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Items scheduled for the public sessions of the meetings are listed on the attached agendas. This information is also available on the CalPERS website at www.calpers.ca.gov. Questions pertaining to the meetings may be directed to Lanette Hunt at 916/795-3829.

FRED BUENROSTRO
Chief Executive Officer

Attachments

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

**R STREET SUBCOMMITTEE
OF THE INVESTMENT COMMITTEE**

August 11, 2006

9:30 a.m.

Lincoln Plaza North
400 Q Street
Room 1140
Sacramento, CA

COMMITTEE MEMBERS

Charles Valdes, Chair
Robert F. Carlson, Vice Chair
Priya Mathur
Tony Oliveira
Kurato Shimada
Ronald Alvarado, Advisor to Subcommittee

OPEN SESSION

CLOSED SESSION Immediately Upon Recess or Adjournment of Open Session
(Government Code
Section 11126(c)(16) and
11126(e)(2) (Item 4 only))

AGENDA

OPEN SESSION

- | | | |
|-------------|----|---|
| | 1. | Call To Order and Roll Call |
| Action | 2. | Approval of February 10, 2006 Open Session Minutes |
| Action | 3. | Election of Subcommittee Chair and Vice-Chair |
| Information | 4. | Real Estate Update on R Street Residential Development |
| Information | 5. | R Street Manager's Report |
| Action | 6. | Proposed Agenda for September 8, 2006 R Street Subcommittee Meeting |
| Information | 7. | Public Comment |

CLOSED SESSION

(Government Code
Section 11126(c)(16) and
11126(e)(2) (Item 4 only))

CLOSED SESSION

- | | | |
|-------------|----|---|
| | 1. | Call To Order and Roll Call |
| Action | 2. | Approval of the May 12, 2006 Closed Session Meeting Minutes |
| Information | 3. | Real Estate Update on R Street Residential Development |
| Information | 4. | Actual and Potential Litigation and Settlement – Headquarters Building |
| | | a. CalPERS v. City of Sacramento, et al.
(Sacramento Superior Court No. 05AS04154) |
| | | b. Other Potential Litigation and Settlement Matters |

NOTE: Items designated for information are appropriate for Subcommittee action if the Subcommittee wishes to take action. Any agenda item acted upon at this committee may be brought to the Investment Committee at its next regularly scheduled meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

**POLICY SUBCOMMITTEE
OF THE INVESTMENT COMMITTEE**

August 11, 2006

10:00 a.m.

**or Upon Adjournment or Recess of the
R Street Subcommittee Meeting, Whichever is Later**

Lincoln Plaza North
400 Q Street
Room 1140
Sacramento, CA

COMMITTEE MEMBERS

Priya Mathur, Chair
Marjorie Berte, Vice Chair
Robert F. Carlson
Tony Oliveira
Charles Valdes

AGENDA

- | | |
|----------------------------|--|
| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the June 16, 2006 Meeting Minutes |
| | 3. Real Estate Policies |
| Action / J. Delfendahl | a. Revision of Global Public Real Estate Equity Securities (Global PREES) |
| | 4. Equity Policies |
| Action / G. Jimenez | a. Repeal of Passive Domestic Small Capitalization Equities – Externally Managed |
| Action / D. Johnson | b. Revision of Corporate Governance Principles and Guidelines |
| | 5. Miscellaneous Policies |
| Action / R. Roth | a. Revision of Asset Allocation Strategy |
| Action / C. Ishii | b. Revision of Self-Funded Healthcare |
| | 6. Administrative |
| Information / A. Stausboll | a. Policy Review Project Update |
| Information | b. Proposed October 2006 Agenda |
| | 7. Public Comment |

Note: Items designated for information are appropriate for Subcommittee action if the Subcommittee wishes to take action. Any agenda item acted upon at this Subcommittee meeting may be brought to the Investment Committee at its next regularly scheduled meeting. Items are noticed for action after a first reading. The Committee is free, however, to request a second reading of any item before approving it.